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C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 008507

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SIPDIS

E.O. 12958: DECL: 08/02/2016

TAGS: PGOV PINR RS

SUBJECT: THE POLITICAL SKIRMISH BEHIND THE "MOSKOVSKIYE

NOVOSTI" NEWSPAPER: AN INSIDER'S VIEW

Classified By: A/POL Colin Cleary. Reasons: 1.4 (b/d).

- 11. (C) SUMMARY: Late last year, Israeli businessman Arkadiy Gaydamak bought the liberal weekly newspaper "Moskovskiy Novostiy" (MN) and promptly announced it would become a pro-Kremlin publication. The newspaper's deputy editor in chief, Svetlana Babayeva, told us July 31 that over half a year after that move, the newspaper's future direction remains unclear, although no one on the staff questions that MN will promote Kremlin views. Most notably, Babayeva told us, the move appears to have been made at the instruction of Presidential Administration (PA) deputy head Vladislav Surkov, who wants control of the newspaper to counter Presidential press spokesman Aleksey Gromov's growing influence over the media. Babayeva offers an interesting description over how the skirmishing inside the Kremlin is playing out with regard to the fate of a once venerable liberally oriented newspaper. END SUMMARY.
- 12. (U) Controversial Israeli businessman Arkadiy Gaydamak stirred controversy in October 2005 when he bought the weekly newspaper "Moskovskiye Novostiy" and promptly declared that he would transform it into a pro-Kremlin publication. The newspaper had previously been run by opposition journalist Yevgeniy Kiselev, under whom it had gone through difficult times. Shortly after making his purchase, Gaydamak pulled what some saw as another surprise by appointing Vitaliy Tretyakov, a political analyst and founder of Nezavisimaya Gazeta, as chief editor of MN. In what some also saw as surprising, Svetlana Babayeva, widely considered an independent journalist despite her recent stint in the London bureau of the GOR-affiliated press agency RIA-Novosti, was made Tretyakov's deputy.

SURKOV VS GROMOV

- 13. (C) Some media insiders had told us that PA deputy head Surkov had become actively engaged with MN. Indeed, Ekho Moskvy chief editor Aleksey Venediktov had told us that Surkov had personally called Babayeva to ask that she assume the MN deputy editorship. In our July 31 conversation, Babayeva denied getting any such call from Surkov but believed that he had suggested her as a potentially promising candidate for the position.
- 14. (C) Nonetheless, Babayeva said she was convinced that Surkov had been behind the Gaydamak deal. Over the past year, Babayeva continued, Presidential spokesman Gromov had been gaining increasing power over the media, in part at Surkov's expense. That shift, Babayeva posited, resulted because Putin trusted Gromov to "clear the media field" ahead of the 2007-08 election cycle. Surkov, wanting to maintain influence within the media, sought to develop MN as "his own" newspaper, according to Babayeva. Gromov certainly perceived things that way, Babayeva continued: when she had asked for Gromov's assistance with access to Russian officials during

the St. Petersburg G8 Summit, he had responded, with obvious irritation, that she should pose such requests to Surkov, since she was working for Surkov's newspaper.

15. (C) The Surkov-Gromov rivalry was part of the continuing infighting within the Kremlin, which was growing more intense as the national election cycle neared, Babayeva said. She noted that curious alliances sometimes formed, with Surkov reportedly even briefly allying with the PA's other deputy head, Igor Sechin. Those reports had been backed by rumors that Surkov had even put in his office a photo of himself standing with Sechin. Visiting Surkov's office and not seeing that photo, Babayeva decided to ask him about it, she related. Surkov had responded -- apparently in all seriousness -- that he had displayed it briefly but then removed it.

UNCERTAINTY ABOUT MN'S DIRECTION

16. (C) Such skirmishing put MN in a difficult situation, Babayeva said. Similarly, the newspaper was hamstrung by having a chief editor more interested and experienced in analyzing politics than in managing a newspaper. Gaydamak had never expected MN to become profitable but wanted the newspaper to be at least somewhat commercially viable. Yet MN's staff was still waiting for Tretyakov to provide some direction on a strategy to boost readership and advertising, Babayeva continued, without which the newspaper would remain in its long-standing rut.

COMMENT

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17. (C) Babayeva has long been a valued Embassy contact who has given us some fascinating insights into the Kremlin's workings. While her story about a brief Surkov-Sechin alliance may not be convincing, her description about how a Surkov-Gromov rivalry plays out with regards to a newspaper looking to become more pro-Kremlin sounds more persuasive. Gaydamak's purchase of the newspaper removed it from the hands of the outspokenly oppositionist Kiselev, and may have turned it into something of a potential political instrument for Surkov, although it has yet to result in a more financially viable publication and its future remains unclear. RUSSELL